



Disability Services Beacon

Information and Resources from the Fairfax Area Disability Services Board

Tax Relief for People with Disabilities

Since 1972, the Fairfax County Department of Tax Administration has provided tax relief for people with disabilities or over 65. The program eliminates or reduces real estate and personal property taxes. Rental grants are also available for people with disabilities who have paid more than 30% of their income towards rent. For all categories, first time filers should apply by December 31 of the year for which they want relief, but some late applications will be accepted. Returning filers must file between January 1 and April 1.

Real Estate Tax Relief

To be eligible for real estate tax relief, the applicant must own the property and be at least 65 years old or have a permanent and total disability. The property must be in Fairfax County and can be jointly owned with a spouse. The amount of relief is based on gross income. To calculate gross income, the county deducts the first \$7,500 in income of a person with a disability. Other than the spouse, each person who lives in the house with the applicant and who has income deducts the first \$6,500 of his income. If the spouse has an income and a disability, \$7,500 can also be deducted from the spouse's income. If the gross income is \$40,000 or less, the eligible applicant doesn't pay any real estate tax. Between \$40,001 and \$46,000, the applicant pays 50% of the tax. And between \$46,001 and \$52,000, the applicant pays 75% of the real estate tax. There is no tax relief for residents who make more than \$52,000. The net assets of the owners cannot be more than \$190,000, not including the value of the property up to one acre.

Not all tax relief for people with disabilities has income limits. If a vehicle has been modified to accommodate the needs of a person who has a disability, the tax rate is only 1 cent per \$100 assessed value. Fairfax County uses the National Automobile Dealers Association Used Car Guide to determine the value of a vehicle. The owner of the vehicle that's eligible for this type of tax relief must still pay for a vehicle decal each year, but there are no income and asset limits. *(More on personal property tax relief on page 3.)*

For example, a couple has a combined gross income of \$50,000 before taxes. Their combined assets (such as bank and retirement accounts) total \$35,000. The husband, who is applying for the tax relief, has a disability. Therefore, \$7,500 is taken off the gross income for the husband, and the total gross income is \$42,500. The couple would only have to pay half their real estate tax bill under this program.

Rental Grants

People over 65 or who have a disability but who do not own their homes can also receive help in the form of a rental grant to help cover the cost of the previous year's rent. The gross income of the entire household can not be more than \$22,000. However, if the person applying for the rental assistance has a disability, the first \$7,500 of income is not counted in the gross income, and up to \$6,500 is not counted for each relative that lives with the applicant, if that rela-

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tive has an income. If the applicant uses more than 30% of the family income for rent, then the rental grant will be the difference between what the applicant paid in rent and 30% of his or her gross income. The applicant must provide evidence of how much they paid in rent. For example, a woman with a disability lives with her two minor children and makes \$28,000 a year. Excluding \$7,500 from her income, the adjusted gross income is \$20,500. Thirty percent of that gross income, \$20,500, is \$6,150. She paid \$800 a month for her apartment, or \$9,600 last year. The difference between \$9,600 and \$6,150 is \$3,450, the amount of her rental grant.

Getting Tax Relief

To get tax relief, an *Application for Tax Relief* from the Department of Tax Administration must be filed. The application is available online at www.fairfaxcounty.gov/dta/tax_relief.htm, by calling 703-222-8234 or TTY 703-222-7594, or in person at the Government Center, Department of Tax Administration, Suite 223, 12000 Government Center Parkway, in Fairfax.

Written certification of the disability must be provided. A documentation form and requirements are also available from the Department of Tax Administration and online. All applicants must provide income and asset information and documentation, as outlined in the application form.

The Department of Tax Administration has a program to visit institutional residences of people who are elderly or have a disability to help them prepare their tax relief forms. Staff will also make a personal house call to a resident with a disability who has no other way of submitting the required paperwork. More information is available on the Fairfax County website, www.fairfaxcounty.gov/dta/ or by calling 703-222-8234 or TTY 703-222-7594.

The City of Fairfax administers a tax relief program for qualified residents with a permanent disability. However, there is no tax relief or exemption from the personal property tax. Contact the City of Fairfax Division of Finance for details at 703-385-7870, TTY 711.

The City of Falls Church has a tax relief program administered by the Department of Housing and Human Services for income eligible residents over 62 or with a disability. The income limits for the real estate tax relief are set each year and are usually 50% of the Washington area median family income. The limit for the personal property tax relief is \$20,000. The applicant's total assets cannot be more than \$150,000. Residents can receive up to \$2,000 in real estate tax exemption and a \$25 exemption towards the personal property tax and a free decal. For more information on tax relief call 703-248-5005, TTY 711, or send an e-mail to HHSinfo@ci.falls-church.va.us.

The Towns of Herndon and Vienna also administer some tax relief programs for the towns' real estate taxes. Applications and information from Herndon are available by calling 703-435-6813, TTY 711. Vienna follows Fairfax County's guidelines for real estate tax relief, and information and applications are available by calling 703-255-6357, TTY 703-255-5735.

Income Tax Credits for Home Modifications

People who change their homes to make them more accessible to people with disabilities may qualify to claim a credit on their Virginia income tax. One may claim a tax credit if one installs (or hires someone else to install) one or more accessibility features in an existing home to make it accessible to people with disabilities, as long as the features are not otherwise required by law. Accessibility features are listed in the Virginia Uniform Statewide Building Code (available online at www.dhcd.virginia.gov/BCAR/ or by calling 804-371-7000, TTY 711). Some examples include a no-step entrance into a home, reinforcement of bathroom walls to allow installation of grab bars around the toilet, tub, and shower, and interior doors with a 32-inch clear opening.

The tax credit on income tax is equal to 25% of the total cost of the accessibility features or \$500, whichever is less. The allowable credit may not be more than the person's tax bill. Unused credits may be carried over for 5 years.

For example, a family's tax bill is \$400. They have changed their home so that an elderly parent who uses a wheelchair can come live with them. The cost of the modifications was \$3,000. They can receive a tax credit for \$500, since that is less than \$750 (25% of \$3,000). However, since their tax bill is only \$400, they can use the \$100 tax credit on next year's taxes, even if they don't make any more modifications. Since \$860 was deducted from their take-home pay for state taxes, after the tax credit, they will get the full \$860 in a refund from the state.

You must apply for and receive certification for the credit before claiming it on your tax return. File Form HAC (Home Accessibility Credit) with the Department of Taxation, Tax Credit Unit, P. O. Box 715,

Richmond, VA 23218-0715. Applications must be received by March 15 of the year following the year in which the work was completed. The form is available online at www.tax.state.va.us/site.cfm?alias=taxcredit listed under "Home Accessibility Features for the Disabled Credit," or by calling the Department of Taxation phone number below.

The total amount of tax credits that can be approved by the Department of Taxation for any taxable year is limited to \$1.0 million. If the total credits requested exceed this amount, the Department will prorate the amount of each credit.

When filing a tax return, complete Schedule CR, Part XX, to claim the credit after it has been approved by the state. For assistance, call 804-786-2992, TTY 711. To order forms call 804-440-2541. Visit www.tax.state.va.us to obtain most Virginia tax forms and additional tax information.

Personal Property Tax Relief

Another type of tax relief completely exempts some people over 65 or with disabilities from having to pay any personal property tax on one vehicle per household. A free county decal is provided for that vehicle. In order to qualify, the person applying for the tax relief cannot make more than \$22,000. If that person has a disability, the first \$7,500 of income is not counted. The total assets of the people living in that home cannot be more than \$75,000, not including the home and up to an acre of land around it.

In the case of the couple applying for real estate tax relief on the first page, the husband applies for personal property tax relief for his car. He is the sole owner of the car. He makes \$28,000 and their combined assets are worth \$35,000. Once he discounts \$7,500 of his income, his gross income is \$20,500. He would be eligible for tax relief—his personal property tax bill would be \$0 and his decal would be free.

Si Ud. necesita información en español,
llame a Carmen Sánchez al 703-324-
5868, TTY 703-449-1186.

The Next DSB Meeting is

on the second Monday
of the month, 7:30-9:30 p.m.

Government Center
12000 Gov. Ctr. Parkway
Fairfax

Meetings are open to the public; public comment, no more than 3 minutes in length, is welcome during the public comment period. For information or to request accommodations, please call 703-324-5421, TTY 703-449-1186, or send an e-mail to disabilityservices@fairfaxcounty.gov 5 working days prior to the meeting.

Get Weekly Disability News

Disability Services E-News is a listserv that keeps subscribers informed about resources and issues that affect people with physical and sensory disabilities.

The listserv sends out one brief e-mail each week. The listserv is the primary vehicle for publicly announcing meetings and activities of the Disability Services Board and will in the future tell you how to get online issues of the *Disability Services Beacon*.

To subscribe, simply go to www.fairfaxcounty.gov/email/lists/. Fill in your e-mail address, click on the box before "Disability services and news," and then click subscribe. You will be sent an e-mail asking you to respond in order to finish subscribing. You must respond to this e-mail and write "ok" in the body to complete the subscription.

Fairfax County is committed to nondiscrimination on the basis of disability in all county programs, services, and activities. This document is available in alternative formats upon request. Please call 703-324-5421 or TTY 703-449-1186, or send an email to disabilityservices@fairfaxcounty.gov. Allow 7 working days for preparation of the material.

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